

**Notice No.** 00-010

**Date:** July 20, 2000

**Applies to:** SERS and TRS Employers

**Subject:** SERS and TRS Member Handbooks and SERS and TRS Plan 3 Investment Education Materials

## **Background**

In August, employers will receive new member handbooks for the School Employees' Retirement System (SERS) and the Teachers' Retirement System (TRS). The member handbooks for SERS Plans 2 and 3, and TRS Plans 1, 2 and 3 provide information on retirement benefits, summarize the rules governing the plans, and provide answers to many of the questions that members have regarding their plans. You will receive enough copies of each of the member handbooks to distribute them as recommend by DRS (see instructions listed below) and have a supply left from which to handle future requests. Member handbooks for all systems and plans can also be accessed on the Department of Retirement Systems' (DRS) Web site (<http://www.wa.gov/DRS/member/index.htm>).

Also in August, investment education materials for both SERS Plan 3 and TRS Plan 3 will be shipped. The SERS and TRS materials will be sent separately.

This notice describes the changes and provides distribution instructions for each of the publications, and recycling instructions for outdated materials.

## **SERS Member Handbooks**

The SERS member handbooks provide information on the benefits provided under the new retirement system as of September 1, 2000. For more information about SERS implementation, please refer to DRS Notice 00-002.

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- Distribute the *SERS Plan 2 Member Handbooks* to SERS Plan 2 members, upon request.
  - Distribute the *SERS Plan 3 Member Handbooks* to members who transfer to SERS Plan 3 and to new SERS Plan 3 members, hired on or after September 1, 2000.
  - School districts and Educational Service Districts should recycle their supply of *PERS Plan 2 Member Handbooks* (do not recycle supplies of *PERS Plan 1 Member Handbooks*).

## **TRS Member Handbooks**

The *TRS Member Handbooks* have been updated to include legislation, passed during the 2000 legislative session, which provides flexible survivor options and, for TRS Plan 2 and Plan 3 members, early retirement reduction factors.

- Distribute a new *TRS Member Handbook* to all TRS members.
- Recycle your old supply of member handbooks for TRS Plans 1, 2 and 3.

## **SERS Plan 3 and TRS Plan 3 Investment Education Materials**

The investment education materials, previously used for the implementation of TRS Plan 3, have been updated to apply to Plan 3 members of either SERS or TRS. The introductory publications (*A Teacher's Primer for TRS Plan 3* and *SERS Plan 3: An Introduction to a Defined Contribution Plan*) are unique to each system, but the remainder of the investment education materials are generic to both Plan 3 systems.

The assembled investment education packets will contain Member Information and Beneficiary Designation Forms, but will no longer include the Member Transfer and Investment Allocation Form used by members who choose the Self-Directed Investment Program to set up their allocation. These transactions are conducted more quickly and accurately using the ICMA Retirement Corporation (ICMA-RC) customer service line (1-888-711-8773) or, for members who already have a password, on the Internet (<http://www.icmarc.org/plan3>). Please note that this is a new Web address, and will become effective September 1, 2000.

Current TRS members will receive a letter in the mail in August, describing three new funds (the Horizon Funds) which will replace the model portfolios and the Washington State Bond Fund, which will replace the TRS Plan 3 Bond Fund, both effective September 1, 2000. Updated versions of the investment education publications *Managing Your Account Has Never Been Easier: VantageLink/Vantage Line*, *Plan 3 Investment Guide* and *Plan 3 Investment Options* -- which reflect these changes -- will be included with the letter.

## **SERS**

The Plan 3 investment education materials for SERS members will arrive in assembled packets, enclosed in the publication entitled *SERS Plan 3: An Introduction to a Defined Contribution Plan*.

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- Distribute these packets to new SERS Plan 3 members, hired on or after September 1, 2000. In addition to this investment education packet, new SERS Plan 3 members need an Enrollment Form and a *SERS Plan 3 Member Handbook*.
  - These packets only need to be distributed to SERS Plan 2 members upon request, as the packets will also be used as handouts at the investment education seminars.

## TRS

The TRS Plan 3 investment education materials will also arrive in assembled packets, and be enclosed in the publication entitled *A Teacher's Primer for TRS Plan 3*. The materials in these packets are the same updated versions that current members will receive by mail.

- Distribute the packets to new TRS Plan 3 members who first become members in the 2000-2001 school year. In addition to this investment education packet, new TRS Plan 3 members need an Enrollment Form and a *TRS Plan 3 Member Handbook*.
- Please recycle your old supply of the TRS investment education materials, with the exception of any *Distribution Options* brochure that you might have.

The following is a list of the materials enclosed in the *SERS Plan 3: An Introduction to a Defined Contribution Plan* and *A Teacher's Primer for TRS Plan 3* packets:

- ***Plan 3 Contribution Rate Brochure***  
Identifies the contribution rate options, describes the rules for choosing a rate and illustrates how the rate can impact the defined contribution benefit provided in Plan 3.
- ***Building Your Retirement Portfolio***  
Supplies members with information on asset allocation and determining personal risk tolerance in order to decide what investment option best meets their needs.
- ***Plan 3 Investment Guide***  
Furnishes fund descriptions, fees, processing rules, and important information about both the Self-Directed and WSIB Investment Programs.
- ***Plan 3 Investment Options***  
Offers simplified fund descriptions of Plan 3 investments.
- ***Managing Your Account Has Never Been Easier: VantageLink/VantageLine***  
Gives step-by-step directions on how to use ICMA-RC's Web site and 24-hour, toll-free phone line to obtain account information, check fund performance, transfer assets within the Self-Directed Investment Program, and change allocations for future contributions to the Self-Directed Investment Program.
- ***Plan 3 Member Checklist***  
Highlights the steps that members need to take if they are going to become members of Plan 3.
- ***Plan 3 Member Information Form***  
Documents a member's contribution rate and investment program.

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- ***Beneficiary Designation Form***

Documents members' beneficiary designations. This form is required for new hires, but it is recommended that everyone update beneficiary designations periodically.

### **Contact Information**

If you have not received your member handbooks by September 15, or if you need additional supplies, please contact DRS at (360) 664-7066.

If you have not received your shipment of investment education materials by September, or need additional copies, contact ICMA-RC at 1-888-711-8773.

### **Questions?**

If you have questions regarding the information in this notice, please contact Employer Support Services at (360) 664-7200, or call the toll free line, 1-800-547-6657.

This notice can be accessed on the DRS Web site  
(<http://www.wa.gov/DRS/employer/drsn/index.htm>).

John F. Charles  
Director

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## 2000 DRS Notices

For a copy of a Notice, call (360) 664-7170 or 1-800-547-6657, or  
access on the DRS Web site at <http://www.wa.gov/DRS/employer>

Notice No.	Applies to/ Subject Matter
00-001	<b>PERS, LEOFF, WSPRS and JRS Employers</b> Members' Annual Statements and Sequencing Information
00-002	<b>SERS Employers</b> Reporting Requirements and Education Activities
00-003	<b>DCP Employers</b> DCP Reporting Requirements and Employer Training
00-004	<b>All Employers</b> Statewide Training
00-005	<b>All Employers</b> Potential Contribution Rate Changes
00-006	<b>All Employers</b> Contribution Rate Changes
00-007	<b>All Employers</b> Contribution Rate Changes
00-008	<b>DCP Employers</b> Implementation of New Reporting Processes and New Record Keeper
00-009	<b>SERS Employers</b> Implementation of the School Employees' Retirement System
00-010	<b>SERS and TRS Employers</b> SERS and TRS Member Handbooks and SERS and TRS Plan 3 Investment Education Materials